

FISCAL NOTE

HB 2358 - SB 2336

March 8, 2007

SUMMARY OF BILL: Deletes or modifies multiple sections of statute related to: (1) reporting requirements for Finance and Administration (F&A), (2) program goals and objectives required of state departments, (3) the state budget and appropriations, (4) performance-based budgeting, and (5) the Tennessee Governmental Accountability Act (TGAA) of 2002.

ESTIMATED FISCAL IMPACT:

State Expenditures – Cost Avoidance:

FY07-08 - \$1,121,000

FY08-09 - \$865,200

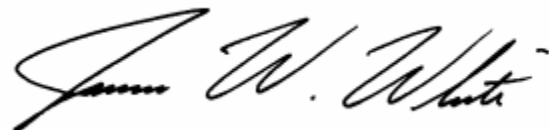
FY09-10 - \$3,022,900

Assumptions:

- According to F&A, TGAA requires all state agencies to be phased into performance-based budgeting by FY11-12. In order to comply with TGAA, state departments and agencies must be staffed adequately by FY09-10 in order to comply with the established phase-in schedule.
- According to F&A, in the absence of this bill additional appropriations equal to \$1,121,000, \$865,200, and \$3,022,900 will be required for FY07-08, FY08-09, and FY09-10 respectively.
- The first-year impact of \$1,121,000 consists of restoring base reductions (\$400,000) and not having to hire additional personnel (\$721,000).
- The second- and third-year impacts reflect not having to hire additional personnel exclusively.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director